



Oregon

Kate Brown, Governor

Water Resources Department

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MEMORANDUM

TO: Oregon Water Resources Commission

FROM: Racquel Rancier, Policy Manager 
Lisa Snyder, Administrative Services Division Administrator 

SUBJECT: Agenda Item C, February 13, 2020
Water Resources Commission Meeting

Legislative and Budget Update

I. Introduction

This report provides an overview of the 2020 Legislative Session and efforts underway to prepare for the 2021 Legislative Session, including budget packages and legislative concept proposals. Commissioners will be asked to provide input on 2021 proposals during this agenda item.

II. 2020 Legislative Session

Oregon's Legislative Assembly convened in Salem on February 3 for the 2020 Legislative Session, with a Constitutional *Sine Die* date of March 8, 2020.

Presentations:

Budget Note: A budget note from the 2019 Legislative Session directed the Department to compile information regarding actions it has taken that resulted in it being party to a contested case hearing or legal action between 2015 and July 1, 2019. The report was submitted on December 31, 2019, and the Department testified before the Joint Ways and Means Subcommittee on Natural Resources on February 3.

A copy of the report is available on the Department's website at:
www.oregon.gov/OWRD/wrdreports/2019_Report_on_Contested_Cases_and_Litigation.pdf.

Legislation:

Staff will provide the Commission with an overview of 2020 water-related legislation during this presentation. A list of bills is included in Attachment 1.

Governor's Resiliency Legislation: The Governor introduced Senate Bill 1537, which proposes \$12.7 million in investments to enhance public safety and disaster preparedness, of which \$2 million would go towards dam safety efforts.

As we have seen significant dam failures and safety incidents in other states and, as we continue to experience safety incidents annually at dams in Oregon, the Department is increasingly concerned about the lack of information on dams here in Oregon. SB 1537 makes investments to begin to improve our understanding of dams in the state and their vulnerabilities.

Specifically, Senate Bill 1537 will provide \$2 million for the Department to conduct risk assessments at additional high-hazard dams, improve our understanding of extreme precipitation events and their risk to dams, as well as fund more in-depth analyses. The legislation will also establish a Dam Safety Task Force that will make recommendations on approaches to prioritizing dams for addressing safety deficiencies and also to identify potential funding mechanisms. These efforts will help the State determine how to most effectively direct its limited resources and also better identify the need and risk. These efforts connect to recommendations under the Integrated Water Resources Strategy, complement both the Governor's 100-Year Water Vision and resiliency efforts and are essential to being able to understand the scope of the issue to prioritize dams for further funding and repair to protect people and property.

Department's Budget Requests:

Water Vision Business Case: The Governor's office, with the support of state agencies, began formulation of Oregon's Water Vision in 2018. In August of 2019, the state formally launched Phase I of Oregon's 100-Year Water Vision, seeking to advance recommendations of the statewide Integrated Water Resources Strategy. The Vision aims to provide a secure, safe, and resilient water future for all Oregonians. The intent of the Water Vision is to raise awareness and catalyze action to address Oregon's pressing and critical need to invest in water resources, particularly natural and built infrastructure. Strategic investments will result in resilient natural and built water infrastructure across the state for our communities, economy, safety, and environment.

As part of the Water Vision work, the Department is requesting funding in the amount of \$200,000 to contract for a business case study that would assess the economic value that the use of water provides in Oregon, the impacts of not investing in Oregon's natural and built water infrastructure, and the associated need for continued infrastructure investments.

State Data Center Services Request: The Department is requesting \$125,000 in general fund to migrate network and server infrastructure and resources to the State Data Center Services. Network switches, firewall, virtual private network (VPN), local area network (LAN) and wide area network (WAN) operations, server and database hosting are being migrated. This request is timely due to the Department's current network and server technology that is past its useful life and no longer supported by the manufacturer. As a result of this outdated technology, in the fall

of 2019, the Department experienced network outages that impacted our ability to serve our customers and affected staffs' ability to complete work, making the need to transition to the Data Center more critical.

III. 2021 Budget and Legislation Development

Proposals for legislative concepts are due to the Department of Administrative Services (DAS) on April 17 for the 2021 Legislative Session. Placeholders may be submitted to DAS through June 5. DAS's official kickoff of development of the 2021-2023 Biennium Budget will not begin until late March; therefore, timelines for budget development have not yet been set.

The Department has begun brainstorming ideas for potential legislative concepts and budget proposals and will seek input from the Commission. The Department met with stakeholders on January 29, 2020, to begin discussions about proposals for the 2021 Legislative Session. Additional meetings will be held in March and April.

Attachment 2 provides an overview of potential 2021 budget proposals. These proposals will change over time and are intended only for discussion purposes. The Department is also considering several legislative concepts for the 2021 Legislative Session as shown in Attachment 3. These proposals will change over time and are intended only for discussion purposes. Staff held a kickoff meeting in January and presented both budget and legislative concept proposals to stakeholders and asked for feedback. Staff will brief the Commission on initial stakeholder feedback received since that meeting. Commissioners will have the opportunity to provide staff with feedback on the budget proposals and legislative concepts.

IV. Conclusion

The Department has begun work on budget and legislation proposals for the 2021 legislative session. Over the next few months, the Department will seek feedback from stakeholders and the Commission; modify, eliminate, and prioritize proposals; and further refine its legislative and budget priorities for 2021.

Attachments:

1. 2020 Water-Related Legislation
2. 2021 Potential Budget Proposals for Discussion Purposes
3. 2021 Potential Legislative Concepts for Discussion Purposes

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Bill	Bill Title	Bill Summary
HB 4069 INTRO	Relating to water.	Authorizes Water Resources Department to require reporting of water use measurements.
HB 4077 INTRO	Relating to wells that supply ground water for domestic purposes; declaring an emergency.	Requires seller of real property to test well water used for domestic purposes. Requires laboratory to submit results of test to seller, buyer and Department of Environmental Quality, in form and manner prescribed by department. Requires department to provide results of well water tests to Oregon Health Authority. Declares emergency, effective on passage.
HB 4086 INTRO	Relating to water; prescribing an effective date.	Makes routine staying of Water Resources Commission or Water Resources Department final order upon filing of petition for judicial review inapplicable if order enforces terms and conditions of use of water or priority of use of water. Establishes conditions for court stay of commission or department order that enforces terms and conditions of use of water or priority of use of water. Provides that if petitioner files undertaking, and court rules against petitioner or petitioner voluntarily withdraws petition regarding order enforcing terms and conditions of use of water or priority of use of water, court may award commission or department attorney fees and costs out of undertaking. Takes effect on 91st day following adjournment sine die.
HB 4092 INTRO	Relating to the registration of reservoirs within the Big Butte Creek drainage area.	Allows owner of reservoir located on specified property within Big Butte Creek drainage area to register reservoir with Water Resources Department. Establishes application and qualification deadlines. Exempts registered reservoir from water right permit and water right certificate requirements. Prohibits diversion or other uses, except for suppressing or extinguishing fire, of reservoir water. Makes reservoir use subservient to water rights. Requires property owner to measure and report flows into and out of reservoir. Requires department to order removal of reservoir if not registered. Requires department to cancel registration and order removal of reservoir if reservoir ceases to meet requirements.
HB 4156 INTRO	Relating to cannabis business practices; prescribing an effective date.	Directs State Department of Agriculture to advance design of cannabis business certification program. Directs Oregon Liquor Control Commission to allocate moneys from Marijuana Control and Regulation Fund to department for purposes of cannabis business certification program. Takes effect July 1, 2020.
HB 4158 INTRO	Relating to cannabis; declaring an emergency.	Directs State Department of Agriculture to develop Oregon Hemp Plan for establishment of Oregon Hemp Program for commercial production and sale of hemp. Changes term "industrial hemp" to "hemp." Requires Oregon Liquor Control Commission to track commercial cannabis shipments through electronic tracking system. Defines "commercial cannabis shipment." Becomes operative on date on which United States Department of Agriculture approves Oregon Hemp Plan. Declares emergency, effective on passage.

Bill	Bill Title	Bill Summary
HB 4159 INTRO	Relating to greenhouse gas emissions; declaring an emergency.	Modifies statewide greenhouse gas emissions reduction goals. Establishes Oregon Climate Action Program and related provisions administered by Department of Environmental Quality. Becomes operative January 1, 2022. Authorizes Public Utilities Commission to allow rate or rate schedule to include differential rates or to reflect amounts for programs that enable public utilities to assist low-income residential customers. Authorizes commission to allow rate or rate schedule to reflect amounts for investments in infrastructure measures that support adoption of alternative forms of transportation vehicles. Amends greenhouse gas reporting statute. Requires Environmental Quality Commission to adopt by rule standards and requirements for reducing methane gas emissions from landfills. Abolishes Oregon Global Warming Commission and transfers duties to Oregon Climate Board. Provides for direct expedited review by Oregon Supreme Court of certain constitutional question related to Oregon Climate Action Program. Requires and modifies certain reports and proposals. Establishes Joint Committee on Climate Action. Establishes Oregon Climate Board. Establishes within Oregon Department of Administrative Services, Climate Policy Office and Director of Climate Policy Office to advise on development of Oregon Climate Action Plan, on implementation of plan and on investments of state proceeds from program. Declares emergency, effective on passage.
SB 1502 INTRO	Relating to assistance for members of agricultural cooperative; prescribing an effective date.	Establishes Agricultural Cooperative Member Low-Interest Loan Fund. Continuously appropriates moneys in fund to State Department of Agriculture for carrying out loan program. Appropriates moneys from General Fund to State Department of Agriculture for deposit in Agricultural Cooperative Member Low-Interest Loan Fund for biennium ending June 30, 2021. Authorizes State Department of Agriculture to make loans from fund to farmers that were members of agricultural cooperative on date that cooperative initiated bankruptcy proceedings. Specifies terms of loans. Authorizes State Department of Agriculture to delegate application processing and loan servicing to lending institutions. Makes loan program operative January 1, 2021. Sunsets loan program and abolishes Agricultural Cooperative Member Low-Interest Loan Fund January 2, 2040. Takes effect on 91st day following adjournment sine die. .

2020 Legislation

ATTACHMENT 1

Bill	Bill Title	Bill Summary
SB 1511 INTRO	Relating to voluntary stream restoration; declaring an emergency.	Directs State Department of Fish and Wildlife to adopt by rule and administer program for authorizing voluntary projects for stream restoration and habitat improvement through construction of environmental restoration weirs. Exempts authorized projects from removal-fill permit. Exempts authorized projects from fish passage requirements in certain circumstances. Authorizes department to require fish passage as part of authorized project in certain circumstances. Authorizes department to require third-party monitoring of authorized projects. Provides that certain riparian work as part of authorized project is not subject to riparian management requirements under Oregon Forest Practices Act. Requires department to adopt rules establishing program in time for rules to become operative no later than one year after effective date of Act. Requires department to submit, no later than December 31, 2026, report to interim committees related to environment and natural resources of Legislative Assembly on extent and impact of program. Requires department to submit, no later than September 15, 2031, report to interim committees related to environment and natural resources of Legislative Assembly on environmental and economic impacts of program and make recommendations for legislation. Declares emergency, effective on passage.
SB 1513 INTRO	Relating to livestock operations.	Requires Department of Environmental Quality or State Department of Agriculture approval as prerequisite to construction, installation, operation or maintenance of large confined animal feeding operation or large concentrated animal feeding operation. Requires State Department of Agriculture confirmation of water supply legal authorization and reliability prior to issuance of final approval of feeding operation by department or Department of Environmental Quality. Limits fees for approvals. Requires that permit for large confined animal feeding operation or large concentrated animal feeding operation located in ground water management area and applying animal waste to land be issued as individual permit. Authorizes Department of Environmental Quality and State Department of Agriculture to clean, repurpose or decommission vacated, abandoned or unpermitted large confined animal feeding operation or large concentrated animal feeding operation. Specifies that permit requirement for activities increasing effluent in manner not already lawfully authorized applies to large concentrated animal feeding operations.

Bill	Bill Title	Bill Summary
SB 1537 INTRO	Relating to resiliency; declaring an emergency.	Directs Office of Emergency Management to develop and administer program to ensure that certain number of Oregon households are prepared to be self-sufficient for at least two weeks after emergency. Creates task force to advise office on program. Sunsets task force on January 2, 2024. Directs Higher Education Coordinating Commission to issue grant to University of Oregon to construct seismic stations for earthquake early warning system. Authorizes issuance of general obligation bonds under Article XI-Q of Oregon Constitution for seismic stations. Directs office to develop and administer earthquake safety educational outreach campaign. Creates advisory committee to advise office on campaign. Sunsets committee on January 2, 2024. Directs Oregon Homeland Security Council to identify 10 locations to serve as staging areas for emergency response. Directs council to determine minimum requirements for staging areas. Directs office to develop and administer program to issue grants to establish and maintain staging areas and incident management teams. Directs office to fund one staging area and one incident management team, to be operational before September 30, 2022. Directs office to develop strategic plan to develop additional teams. Directs Water Resources Department to evaluate dams for structural and other safety issues. Creates task force to study prioritization and funding of projects. Sunsets task force on January 2, 2022. Directs State Resilience Officer and Seismic Safety Policy Advisory Commission to update Oregon Resilience Plan. Directs commission to initiate public process to update boundaries of tsunami inundation zone. Declares emergency, effective on passage.
SB 1562 INTRO	Relating to the Umatilla Basin; declaring an emergency.	Creates program for gathering and reviewing data and research regarding ground water in Umatilla Basin and creating implementation plan to improve ground water quality and obtain full or partial removal of ground water management area designation from Lower Umatilla Basin Groundwater Management Area. Requires that program include department recommendation of scientifically based rationale for removing designation in specific areas of Lower Umatilla Basin Groundwater Management Area if practicable. Requires that program include appointment of, and support for, task force. Sunsets program January 2, 2030. Appropriates moneys to State Department of Agriculture for biennium ending June 30, 2021, to carry out program activities. Declares emergency, effective on passage.
HB 4025 INTRO	Relating to forests; providing that this Act shall be referred to the people for their approval or rejection.	Imposes prohibitions, restrictions and requirements regarding clearcutting and other forest operations near forest waters. Reduces share of revenue from timber harvest privilege tax appropriated to Oregon Forest Resources Institute Fund. Appropriates share of revenue from timber harvest privilege tax to State Forestry Department for administration and enforcement regarding clearcutting and other forest operations near forest waters and for infrastructure or other projects to protect forest waters. Refers Act to people for their approval or rejection at next regular general election.
HB 4034 INTRO	Relating to medical marijuana grow sites; declaring an emergency.	Directs Oregon Liquor Control Commission to establish by rule process to register medical marijuana grow sites. Defines "medical marijuana grow site." Allows medical marijuana grow sites to apply for registration not later than September 1, 2020. Establishes plant production limits for medical marijuana grow sites registered by commission. Becomes operative June 1, 2020. Declares emergency, effective on passage.

Bill	Bill Title	Bill Summary
HB 4035 INTRO	Relating to regulatory authority over marijuana; declaring an emergency.	Directs Oregon Health Authority, Oregon Liquor Control Commission, State Department of Agriculture and Governor's office to develop plan to address issues related to regulatory authority over marijuana. Requires plan to be submitted to interim committees of Legislative Assembly. Sunsets January 2, 2021. Declares emergency, effective on passage.
HB 4036 INTRO	Relating to transportation; prescribing an effective date; providing for revenue raising that requires approval by a three-fifths majority.	Modifies, adds and repeals laws relating to transportation. Takes effect on 91st day following adjournment sine die.
HB 4041 INTRO	Relating to emergency management.	Renames Office of Emergency Management as Oregon Department of Emergency Management. Establishes department as state agency independent from Oregon Military Department. Vests in Oregon Department of Emergency Management emergency authority regarding public health emergencies, emergency quarantines and conflagrations. Transfers rulemaking authority regarding nuclear emergencies from State Department of Energy to Oregon Department of Emergency Management. Transfers Oregon Emergency Response System from Department of State Police to Oregon Department of Emergency Management. Renames office of State Fire Marshal as Department of the State Fire Marshal and establishes department as state agency independent from Department of State Police. Transfers search and rescue functions from Office of Emergency Management to Department of the State Fire Marshal. Transfers Oregon Homeland Security Council from Office of Emergency Management to Office of the Governor. Adds seven members to council and expands duties of council. Establishes Emergency Preparedness Advisory Council to advise and make policy recommendations to Oregon Homeland Security Council regarding federal emergency support functions. Establishes Local Government Emergency Management Advisory Council to provide advice and recommendations to Oregon Department of Emergency Management regarding the department's emergency preparedness and response functions. Becomes operative on July 1, 2023.

2020 Legislation

ATTACHMENT 1

Bill	Bill Title	Bill Summary
HB 4043 INTRO	Relating to materials for local water projects; prescribing an effective date.	Prohibits local government, local contracting agency or local contract review board from enacting, adopting or enforcing ordinance, resolution, rule or other law that prohibits, restricts or limits evaluation, comparison or use of pipe or piping materials for water project if pipe or piping materials meet current standards or performance specifications of specified organizations and moneys appropriated from State Treasury directly or indirectly provided funding for water project. Becomes operative on January 1, 2021. Takes effect on 91st day following adjournment sine die.
HB 4071 INTRO	Relating to harmful algal blooms; declaring an emergency.	Directs Department of Environmental Quality to purchase cyanotoxin autoanalyzer system and associated supplies and services. Directs department to create, fill and utilize seasonal position to assist with cyanotoxin analysis. Directs Oregon Health Authority to create, fill and utilize small utility outreach coordinator. Appropriates moneys to department to purchase equipment and support increased staffing level. Appropriates moneys to authority to support increased staffing level. Declares emergency, effective on passage.
HB 4072 INTRO	Relating to hemp; prescribing an effective date.	Directs State Department of Agriculture to administer Oregon Hemp State Program for studying growth, cultivation and marketing of hemp. Changes term "industrial hemp" to "hemp." Requires department to conduct criminal records check of applicants for licensure related to hemp. Takes effect on 91st day following adjournment sine die.
HB 4095 INTRO	Relating to expansion of urban growth boundaries to accommodate affordable housing.	Authorizes Department of Land Conservation and Development to approve local governments' plans for urban growth boundary expansion areas that will accommodate affordable housing. Sunsets affordable housing pilot program on January 2, 2024.
HB 4155 INTRO	Relating to authorizing regional implementation of traditionally maintained channels program; declaring an emergency.	Establishes that Department of State Lands or State Department of Agriculture rules implementing traditionally maintained channels program may provide for implementation on region-by-region basis. Requires implementation throughout state within five-year period. Declares emergency, effective on passage.
SB 1508 INTRO	Relating to emergency resilience.	Directs Office of Emergency Management to create and maintain database of community emergency response teams accessible by emergency management agencies and emergency program managers. Directs office to establish procedures for communicating with appropriate entities to gather and update database information.

Bill	Bill Title	Bill Summary
SB 1530 INTRO	Relating to greenhouse gas emissions; declaring an emergency.	Modifies statewide greenhouse gas emissions reduction goals. Establishes Oregon Greenhouse Gas Initiative and related provisions, operative January 1, 2022. Authorizes Public Utility Commission to allow rate or rate schedule to include differential rates or to reflect amounts for programs that enable public utilities to assist low-income residential customers. Authorizes commission to allow electric companies and natural gas utilities to recover costs for prudent investments in or expenses for infrastructure measures that support adoption of alternative forms of transportation. Amends greenhouse gas reporting statute. Repeals Energy Facility Siting Council carbon dioxide emissions standards. Requires Environmental Quality Commission to adopt by rule standards and requirements for reducing methane emissions from landfills. Requires Environmental Quality Commission to regulate use of hydrofluorocarbons in certain products. Abolishes Oregon Global Warming Commission. Modifies requirements for ethanol content in gasoline. Prohibits sale or offer for sale of general service lamps that do not meet certain efficiency standards. Authorizes State Department of Energy to modify prohibition by rule to align with laws of adjacent states. Provides for direct, expedited judicial review by Oregon Supreme Court of certain constitutional questions related to Oregon Greenhouse Gas Initiative. Requires certain reports and reviews related to Oregon Greenhouse Gas Initiative. Establishes, within Department of Environmental Quality, Oregon Greenhouse Gas Reduction Board, Administrator of the Office of Greenhouse Gas Regulation and Office of Greenhouse Gas Regulation and sets forth duties of board, administrator and office. Declares emergency, effective on passage.
SB 1561 INTRO	Relating to cannabis; declaring an emergency.	Directs State Department of Agriculture to develop Oregon Hemp Plan for establishment of Oregon Hemp Program for commercial production and sale of hemp. Changes term "industrial hemp" to "hemp." Becomes operative on date on which United States Department of Agriculture approves Oregon Hemp Plan. Merges determinations of guilt for certain offenses related to marijuana into single conviction. Removes from commercial marijuana offense possession of certain items. Directs Oregon Cannabis Commission to determine framework for future governance of Oregon Medical Marijuana Program. Specifies health care providers who may recommend medical use of marijuana to registry identification cardholder. Directs Oregon Liquor Control Commission to establish by rule process to register medical marijuana grow sites. Defines "medical marijuana grow sites." Allows medical marijuana grow sites to apply for registration not later than September 1, 2020. Establishes plant production limits for medical marijuana grow sites registered by commission. Becomes operative June 1, 2020. Declares emergency, effective on passage.

Bill	Bill Title	Bill Summary
SB 1574 INTRO	Relating to greenhouse gas emissions; declaring an emergency.	Modifies statewide greenhouse gas emissions reduction goals. Establishes Oregon Greenhouse Gas Initiative and related provisions, operative January 1, 2022. Authorizes Public Utility Commission to allow rate or rate schedule to include differential rates or to reflect amounts for programs that enable public utilities to assist low-income residential customers. Authorizes commission to allow electric companies and natural gas utilities to recover costs for prudent investments in or expenses for infrastructure measures that support adoption of alternative forms of transportation. Amends greenhouse gas reporting statute. Repeals Energy Facility Siting Council carbon dioxide emissions standards. Requires Environmental Quality Commission to adopt by rule standards and requirements for reducing methane emissions from landfills. Requires Environmental Quality Commission to regulate use of hydrofluorocarbons in certain products. Abolishes Oregon Global Warming Commission. Modifies requirements for ethanol content in gasoline. Prohibits sale or offer for sale of general service lamps that do not meet certain efficiency standards. Authorizes State Department of Energy to modify prohibition by rule to align with laws of adjacent states. Provides for direct, expedited judicial review by Oregon Supreme Court of certain constitutional questions related to Oregon Greenhouse Gas Initiative. Requires certain reports and reviews related to Oregon Greenhouse Gas Initiative. Establishes, within Department of Environmental Quality, Oregon Greenhouse Gas Reduction Board, Administrator of the Office of Greenhouse Gas Regulation and Office of Greenhouse Gas Regulation and sets forth duties of board, administrator and office. Declares emergency, effective on passage.

Note: This list contains an initial brainstorming of budget proposals collected to date from WRD managers, the Commission and stakeholders as of January 28, 2020. Input from the Department was informed by the Integrated Water Resources Strategy, the Department's Strategic Plan, and will be informed by information gathered during the Water Vision process. Packages will be modified and refined over time; this draft is for the purposes of discussion and feedback.

Topic	Issue Description
Business Continuity	Statewide Policy 107-001-010 directs state agencies to develop, implement, test, maintain and execute Continuity of Operations Plans. Need to bring the COOP up to policy standards as well as recommend review schedules for plan revisions and recommend continuity of operations testing and training for all staff of the agency.
Complex Water Issues	Add staff that would be responsible for working with parties involved in complex water management issues to assist in developing solutions. In addition to staff, includes contract dollars for consultants and facilitators.
Dam Safety and Resiliency	Evaluate dams for seismic, flood, and other safety risks, which will help to prioritize dams for repair and funding. Provide staff resources to conduct assessments on dams and more detailed analyses.
Data - IT Modernization	<ul style="list-style-type: none"> • Increase IS Development Capacity: Support FSD and TSD field data collection platform development and internal database alignment by adding application developer • Stabilize our IT infrastructure by moving all servers to the state data center along with underlying networking, connectivity and security. • Improve the agencies data, access to data and ability to analyze and share data through data clean-up, business workflow improvement and supportive system enhancements. • Modernize the Water Rights Information System for improved workflow, integrity and accessibility. • New software package for Ground and Surface Water data collection.
Data - Water Demand Forecast for Planning	Develop instream and out of stream water demand forecasts at the basin scale to support future water planning. Instream and out-of-stream current and future demand information has been identified as a major gap in data needed for planning.
Data - Water Rights Characterization Tool	Characterize water rights at a basin scale. Develop a web-based tool that summarizes water rights by location or chosen criteria and provides basin-wide summaries of available water right data and info. This data and information would be useful to other efforts in the Department such basin studies, basin program report updates, and other planning and management efforts.
Employee Safety	Dedicate resources to develop, implement and maintain an agency wide Safety Program. ORS 654.010.
Enforcement	Limited staff for enforcement section means that enforcement activities are not timely.
Fee Package	Placeholder for any fee change LCs.
Funding Shifts and Reclasses	The Department is currently evaluating position funding and responsibilities to ensure that positions are being used effectively. Placeholder pending Department discussions on whether to propose funding shifts or reclasses
Groundwater – Harney	Harney Groundwater CREP may require additional compliance checks and enforcement to ensure that water use is occurring consistent CREP agreements.
Groundwater – Stakeholder Input	Conduct GW recharge/budget for the state.
Groundwater – Umatilla Basalt	Discuss needs related to basalt stabilization project.

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Stabilization – Commissioner Input	
Internal Audit Function	The Department met the criteria in 1(c) of Oregon Administrative Rule 125-700-0125 as of Fiscal Year 2016, requiring an internal auditing function (ORS 184.360). The Department received a waiver for fiscal years 2015 through 2021, while exploring options for meeting this requirement.
Litigation – Coordinating Legal Issues and Addressing Litigation Expenses	WRD litigation expenses have increased significantly over the last several biennia. Need for coordination on increased legal issues and disputes over complex permitting and regulation.
Measurement and Reporting – Stakeholder Input	Expand activities related to water use measurement and reporting.
Placeholder	Resources to update and implement the Integrated Water Resources Strategy and take next steps after completion of the phase 1 Water Vision outreach effort.
Placeholder	Other actions that may be identified to further implement the Department's Strategic Plan.
Public Information	The department does not have resources to adequately address media questions timely, develop informational materials to help the public understand water law, or to proactively raise awareness of water issues. Lack of staff in this area pulls policy staff and other managers off of other work.
Public Records and Retention	Comprehensive Records Modernization: Develop, implement and maintain an agency wide records program and ensure compliance with public records law. Input records into electronic storage to reduce storage space and increase ability to access records.
Resiliency	Provide coordination, planning and outreach on drought, floods, and climate. Participate in Natural Hazards Mitigation Plan and Climate Adaptation Framework.
Rules	Update the Department's rules.
Supporting Administrative Foundation	Invest in fiscal staff to assist with budget development and execution, contracting and procurement, and accounting to assist with increased complexity and volume associated with the ongoing lottery revenue bond funding in the grant programs, assist with purchasing, contract and accounting work associated with additional investments in the department's programs and assist with implementing statewide initiatives.
Training and developing our workforce	Invest in and develop staff. Add human resources capacity to assist with developing, implementing and maintaining a comprehensive training and development program for managers and staff, assist with complex employee and labor relation issues and support statewide initiatives.
Water Management in the Field	Strengthening the WRD field presence and addressing field workload challenges will help to proactively educate potential water users on the Oregon water law, and manage and distribute water.

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Water Supply Planning, Studies and Projects	Support water supply planning, studies, and projects to meet current and future water needs: Develop the loan side of the Water Projects Grants and Loans program. Provide additional funding for feasibility study grants, water project grants and loans. Consider funding to support future work on planning and any needs from existing planning groups.
Water Supply Solutions - Mitigation Program	Development of a mitigation strategy and then develop either statewide or basin-based mitigation standards in rule.
Well Construction	Placeholder for any work that may come of work on LC to modernize the well construction program. Consider moving NRS 4 Hydrogeologist off start card fund and fund with GF. Institute approach to do a comprehensive review of well log reports and increase ability to inspect wells to address well construction deficiencies more timely. See also enforcement.
Willamette Basin	Implement actions following completion of the Willamette Reservoir Reallocation Study and Willamette BiOp. WRD and ODFW’s multi-year implementation effort will require staff to coordinate basin activities, facilitate meetings, provide technical analyses, develop instream flow targets, manage contested case processes for minimum perennial flow conversions, and shepherd any necessary law changes.

DRAFT

LC/POP	Summary / Notes
LC	Transfers of Storage: Placeholder; needs a workgroup. Discuss allowing changes in the location of storage, point of diversion, and character of use for storage rights.
LC/POP-Fees	Modernize hydroelectric fees in statute: In 2017, a hydroelectric fee panel was formed, pursuant ORS 543.085. The fee panel recommended that we adjust fees in statute with a link to an inflation factor.
LC/POP-Fees	Increase WR funding by X % starting 7/1/2021: Every four years, we have increased WR fees to keep up with inflation and other costs. The last increase was in 2017.
	<i>- For discussion - Add a fee for transfer applications that want to make a change for more than one well commensurate with how fees are calculated for new water right applications.</i>
LC	Irrigation District Pilot Project - Sunsets January 2, 2022. Report due January 31, 2021 See existing law on next page.
LC	Well Construction - Continuing Education: Sunsets January 2, 2022. See existing law on next page.
LC/POP? LC	Well construction: WRD has an interest in making improvements to the program. OGWA has indicated an interest in some changes. Placeholder; needs a workgroup

Potential 2021 LC Topics

1.26.2020

Well Constructor's Continuing Education:

Note: Sections 2, 4 and 7, chapter 496, Oregon Laws 2001, provide:

Sec. 2. (1) There is established a Well Constructors Continuing Education Committee consisting of four members appointed by the Water Resources Director as follows:

(a) Three persons from the well drilling industry licensed pursuant to ORS 537.747; and
 (b) One person from the regulatory community.
 (2) The term of office of each member is three years, but a member serves at the pleasure of the director. Before the expiration of the term of a member, the director shall appoint a successor whose term begins on July 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the director shall make an appointment to become effective immediately for the unexpired term.

(3) A member of the committee is entitled to travel expenses as provided in ORS 292.495.

(4) Members of the committee must be residents of this state who are knowledgeable about the principles of well construction.

(5) The committee shall select one of its members as chairperson and another as vice chairperson, for such terms and with the duties and powers necessary for the performance of the functions of such offices as the committee determines.

(6) Three members of the committee constitute a quorum for the transaction of business. At least three members of the committee must approve all official actions or decisions of the committee. [2001 c.496 §2]

Sec. 4. (1) The Well Constructors Continuing Education Committee shall recommend to the Water Resources Commission a process for reviewing and approving continuing education requirements for licensed water well constructors established by rule pursuant to subsection (2) of this section.

(2) The commission shall adopt rules necessary for the administration of a continuing education program for licensed water well constructors consistent with the recommendations of the committee.

(3) The rules adopted by the commission under this section for the continuing education program shall:

(a) Authorize the committee to review and approve continuing education courses and to assign continuing education credits.

(b) At a minimum require, for renewal of a license issued under ORS 537.747, that an applicant:

(A) Through clinics, schools, professional organizations or seminars, lectures or other courses of study that relate to the practice of well construction and that are approved by the committee, obtain continuing education credits during each licensing period in an amount designated by the commission, but not to exceed 14 credits; and

(B) Furnish proof on a form approved by the committee that the applicant has complied with the continuing education requirements during the preceding licensing period unless the applicant is exempt under subsection (4) of this section.

(4) The commission may waive the continuing education requirements established by rule pursuant to subsection (2) of this section for a licensed water well constructor if the constructor submits satisfactory evidence of inability to attend continuing education courses because of health, military duty or other circumstances beyond the control of the constructor.

(5) For courses sponsored by the Water Resources Department, the fee for one continuing education credit is \$40, and the total fees per day may not exceed \$250.

(6) The fees collected under this section for continuing education courses sponsored by the department shall be paid into the Water Resources Department Water Right Operating Fund. Notwithstanding ORS 536.009, such moneys shall be used to pay the department's expenses associated with conducting continuing education courses.

(7) At the time of application to renew a water well constructor's license pursuant to ORS 537.747 (5), a person shall provide the department with evidence of compliance with the continuing education requirements established pursuant to this section. [2001 c.496 §4; 2007 c.221 §2]

Sec. 7. Sections 2 and 4, chapter 496, Oregon Laws 2001, are repealed January 2, 2022. [2001 c.496 §7; 2007 c.221 §3; 2014 c.57 §1]

Irrigation District Pilot Project

Note: Sections 22, 23 and 25, chapter 705, Oregon Laws 2003, provide:

Sec. 22. Section 23 of this 2003 Act is added to and made a part of ORS 540.505 to 540.580. [2003 c.705 §22]

Sec. 23. (1) In order to increase district water management flexibility, the Water Resources Department shall establish a pilot project in which districts may temporarily allow, for water uses subject to transfer, the use of water on any land within the legal boundaries of the district established pursuant to ORS chapter 545, 547, 552, 553 or 554.

(2) The use of water on any land within the legal boundaries of the district may be allowed if:

(a) The rate and duty, and the total number of acres to which water will be applied under the transfer, do not exceed existing limits on the water use subject to transfer;

(b) The type of use authorized under the water use subject to transfer is for irrigation and remains the same; and

(c) The land from which the water use is being transferred does not receive any water under the right being transferred during the irrigation season in which the change is made.

(3) The department shall allow the pilot project to be implemented in the Talent Irrigation District, the Owyhee Irrigation District, the Tualatin Valley Irrigation District, the Central Oregon Irrigation District, the Swalley Irrigation District, the Westland Irrigation District, the North Unit Irrigation District, the Arnold Irrigation District, the Stanfield Irrigation District, the West Extension Irrigation District, the Hermiston Irrigation District, the Medford Irrigation District, the Sutherlin Water Control District, the Santiam Water Control District and the Ochoco Irrigation District or their successor districts. However, any district participating in the project must:

(a) Have defined state district boundaries;

(b) Have a management structure that can ensure that water is applied only where the water use is authorized;

(c) Not irrigate an area in any one irrigation season that exceeds the maximum number of acres allowed to be irrigated under the original water right;

(d) Have a full and accurate measurement of the water appropriated;

(e) Have an accurate map identifying the location of authorized use, by priority date, for review upon request and provide a copy of the map to the watermaster; and

(f) Have on file statements by any landowner affected by the water use change indicating that the landowner agrees to the change.

(4) If any of the specified districts are unable to participate in the project, the department may identify another district for the project. Before allowing another district to participate in the project for the first time, the department shall publish notice of the planned participation by publication in the weekly notice published by the department and shall allow the public at least 20 days to provide information to assist the department in determining whether the district meets the qualifications required under subsection (3) of this section.

(5) The department may require that use of water under the pilot project cease and that the use revert to the use allowed under the water right of record if the department determines that:

(a) The district does not meet the qualifications established in subsection (3) of this section;

(b) The water is being used in a manner that violates the requirements in subsection (2) of this section;

or

(c) The changes made to the use of water would result in injury to existing water rights or an enlargement of the original water right.

(6) The department shall annually, prior to commencement of the irrigation season, publish notice of the districts that might intend to make use of the pilot program during the year. The notice shall identify the districts by name and provide the contact information for the watermasters for the districts. The department shall publish the notice by publication in the weekly notice published by the department.

(7) Use of water under the pilot project constitutes a beneficial use of water and does not constitute nonuse for purposes of forfeiture under ORS 540.610. [2003 c.705

§23; 2009 c.283 §1; 2015 c.384 §2]

Sec. 25. Sections 22 and 23, chapter 705, Oregon Laws 2003, are repealed on January 2, 2022. [2003 c.705 §25; 2007 c.10 §2; 2009 c.283 §3; 2015 c.384 §3]

Note: Section 1, chapter 384, Oregon Laws 2015, provides:

Sec. 1. The Water Resources Department shall report to the Eighty-first Legislative Assembly, no later than January 31, 2021, on the operation of the pilot project established under section 23, chapter 705, Oregon Laws 2003. [2015 c.384 §1]